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PERSONNEL MATTERS

Report by the Director-General

Provides information on a range of personnel-related issues, including developments in the common system, consequent amendments to schedules and annexes to the staff regulations and amendments to the staff rules and gender issues in the Secretariat.

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Introduction

1. The present document provides information on common system developments, women in the Secretariat, pension matters, including representation of the UNIDO governing body on the Staff Pension Committee, and the new staff career development system. It reports on consequent amendments to schedules of and annexes to the staff regulations and on amendments to the staff rules. The amendments are shown in document IDB.21/CRP.2

I. COMMON SYSTEM DEVELOPMENTS

2. At its fifty-third session the General Assembly adopted resolution 53/209 on the United Nations common system. In considering the item, the Assembly reaffirmed its commitment to a single, unified United Nations common system as the cornerstone for the regulation and coordination of conditions of service. In this respect, it reaffirmed the central role of the International Civil Service Commission (ICSC). Furthermore, the Assembly expressed its conviction that the common system constitutes the best instrument to secure staff of the highest standards of efficiency, competence and integrity for the international civil service as stipulated in the Charter of the United Nations.

3. As provided in Article 11.5 of the UNIDO Constitution, "The conditions of service of staff shall conform as far as possible to those of the United Nations common system." In accordance with that principle, staff regulation 13.3 provides that the Director-General is authorized, within the budgetary level approved by the General Conference, to make appropriate amendments to the schedules and annexes to the staff regulations so as to bring them into conformity with any relevant decisions that may be taken by the General Assembly of the United Nations on the recommendation of ICSC.

Salary scales for the Professional and higher categories—amendments to schedules I and II of the staff regulations

4. In resolution 53/209 the General Assembly recalled section I.H of resolution 44/198, by which it established a floor net salary level for staff in the Professional and higher categories by reference to the corresponding net salary levels of officials in comparable positions serving at the base city of the comparator civil service (the federal civil service of the United States of America). The Assembly approved effective 1 March 1999 a revised base scale of gross and net salaries for the Professional and higher categories and revised scales of staff assessment for staff without dependants. The base scale reflects an increase of 2.48 per cent which, according to standard procedures, is accompanied by a consequential decrease of post adjustment effective 1 March 1999. The revision is implemented on a "no loss, no gain" basis as far as salary payments are concerned. It will entail an increase in certain separation payments only, such as the repatriation grant, and the mobility and hardship allowances paid to eligible staff, as the base salary scale is used to determine these payments. The revised salary and staff assessment rates are contained in document IDB.21/CRP.2.

Dependency allowances—amendment to annex I to the staff regulations

5. The General Assembly recalled resolution 47/216 in which it noted that ICSC would review the level of dependency allowances every two years. It noted the review by ICSC of dependency allowances reflecting relevant changes in tax abatement and social legislation payments at the seven headquarters duty stations since 1996. The Assembly accordingly approved, effective 1 January 1999, an increase of 14.6 per cent in the children's allowance including that for disabled children, and in the secondary dependant's allowance.

6. The Assembly noted the updated list of hard currency duty stations for which the allowances are specified in local currency, including Austria. Accordingly, in United States dollar terms, the children's allowance was raised from $1,510 to $1,730 per year and the secondary dependant's allowance from $540 to $619 per year. For a child determined to be physically or mentally handicapped the allowance was raised from $3,020 to $3,460. In Austrian schillings, the amounts were raised from AS 24,656 to AS 28,256, from AS 9,108 to AS 10,438 and from AS 49,312 to AS 56,512. The revised amounts in US dollars are shown underlined in document IDB.21/CRP.2 and the previous amounts are shown in square brackets. The Assembly noted that these allowances should be reduced by the amount of any payments received from a Government (a provision contained in the UNIDO staff regulations) and requested ICSC to examine the methodology, rationale and scope of the allowances in the year 2000.

Annex II to the staff regulations—amounts of education grant and special education grant

7. Recalling previous resolutions (47/216, 51/216 and 52/216) on the methodology for the determination of the education grant, the General Assembly approved increases in the maximum reimbursement levels in seven currency areas and other adjustments to the reimbursement of expenses under the education grant, as contained in paragraph 190 of the ICSC report. It also took note of the Commission's decision to review the methodology in 2001. The currency areas where increases were approved are Austrian schillings, Swiss francs, German marks, British pounds sterling, Italian lire, Japanese yen and United States dollars in the United States. In other specified currency areas, including the United States

dollar for expenses incurred in educational institutions outside the United States, the maximum grant and admissible expenses remain at current levels. The relevant amendments to annex II to the staff regulations are shown in document IDB.21/CRP.2.

8. The General Assembly, reiterating the expression of its appreciation for the dedication of increasing numbers of staff who are required to work under dangerous conditions, took note of ICSC's decision to set the amount of hazard pay for internationally recruited staff at the rate of $1,000 per month, effective 1 June 1998 (the previous amount was $902).

II. WOMEN IN THE SECRETARIAT

9. A number of corrective measures are being initiated to address the low representation of women in the Secretariat, which resulted in part from cutbacks caused by repeated staff separation programmes in recent years. These have proven difficult to counteract in view of the ensuing limited recruitment. Since 1996, the representation of women in posts subject to geographical distribution has remained practically unchanged at 23 per cent, while their representation in grades P-5 and above had increased from 12.5 to 16.5 per cent by the end of the first quarter of 1999. This improvement should be seen in light of the serious depletion of the pool of women available for selection to more senior managerial positions for several years after the departure of a disproportionate number of senior women as a consequence of repeated staff separation programmes. As can be seen from the tables, the situation is far from satisfactory, particularly at the senior levels.

10. Women have been represented in recent promotion and placement exercises at the rates of 30 per cent of total Professional staff promoted and 20 per cent at P-5 and above since 1996 (table 3). Table 3 (a) shows recruitment of Professional staff from January 1998 to March 1999.

11. With the participation of Member States, a new UNIDO roster was established in early 1999 of candidates for Secretariat and field positions. Whereas the representation of women for the former type of positions remained around 23 per cent over the past four years, women now account for 30 per cent in the new roster. For field positions the increase was from 6.5 in 1998 to over 11 per cent in 1999 (table 4).

12. In order to reach by the year 2001[1] the 30 per cent target set by the UNIDO governing bodies, at least for geographical posts, approximately 45 per cent of the foreseen vacancies would need to be filled by women. Considering that 25 per cent of recruitments over the last five years were women, this is a formidable task. If achieved, it would enable the setting of further new targets in line with the efforts to achieve gender parity in the Secretariat as soon as possible, as called for by General Assembly resolution 52/96.[2]

13. To this end, affirmative action will be taken at several levels within UNIDO's improved human resources management. A career planning system will be implemented to ascertain the desired career paths of women and to identify at an early stage potential internal female candidates for higher level posts to replace colleagues in good time before their retirement or separation from the Organization. As a first step in filling any vacancy, serving women Professionals will be reviewed against all vacancies, particularly those at the senior decision-making levels in compliance with decisions by the UNIDO governing bodies. When filling forthcoming vacancies, and whenever possible, shortlists of candidates must include sufficient females, and managers will be required to formally justify non-selection of female candidates. In case of equally qualified candidates, the gender consideration will be decisive.

14. In a concerted effort to attract applications from the best qualified candidates from within and outside the Organization for the forthcoming filling of 13 vacancies at all levels in the Secretariat (including four at the D-1 and three at the P-5 levels, as shown in table 5), a recruitment campaign was launched, encouraging applications particularly from female candidates. With the concrete support of all Member States, a sustainable improvement in respect of women's representation should be possible.

15. To ensure that the institutional culture is both gender-sensitive and gender-responsive in line with the Administrative Committee on Coordination (ACC) Commitment for Action,[3] and to better monitor progress in achieving tangible improvement with regard to gender equality, a woman staff member in the Office of the Director-General has been designated as focal point for gender issues.

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[1]Decision IDB.7/Dec. 22 (9 November 1990) set targets of 25 per cent by 1993 and 30 per cent by 1995 for women's overall representation in the Secretariat.

[2]In resolution 52/96 of 12 December 1997, the General Assembly reaffirmed the goal of 50/50 gender distribution by the year 2000 in all categories of posts within the United Nations system, especially at the D-1 level and above.

[3]Statement on gender equality and mainstreaming in the work of the United Nations system, adopted by ACC at its first regular session in 1998.

III. PENSION MATTERS

16. In resolution 53/210 of 18 December 1998, the General Assembly endorsed recommendations made by the forty-eighth regular and forty-ninth special session of the United Nations Joint Staff Pension Board. By this resolution, the General Assembly, *inter alia*, approved the withdrawal from membership from the United Nations Joint Staff Pension Fund of the Interim Commission for the International Trade Organization. Furthermore, the Fund's regulations were amended to change the title and level of the post of the Secretary of the Board to "Chief Executive Officer of the United Nations Joint Staff Pension Fund". Other amendments dealt with widows' benefits, survivors' benefits for spouses and former spouses, the non-assignability of rights, and the time frame for submission of benefit instructions and resumption of participation in the Fund.

Representation of the UNIDO governing body on the UNIDO Staff Pension Committee

17. The UNIDO Staff Pension Committee established by the General Conference (GC.1/Dec.37) held six meetings (in seven sessions) in the course of 1998 and one meeting during the period January to March 1999.

18. The following representatives of the General Conference, who, by decisions GC.7/Dec.20 and IDB.19/Dec.7, were elected for the biennium 1998-1999, presently hold office for a term ending 31 December 1999:

Members:	Ms. Margit Bruck-Friedrich (Austria)
	Mr. Abubakr Salih Nur (Sudan)
Alternate members:	Mr. Janos Pogany (Hungary)
	Mr. Michel Katra (Lebanon)

19. Ms. Bruck-Friedrich, who had served on the Committee since 1998, left the Permanent Mission of Austria on 3 March 1999 and thus the post of one member is vacant. Mr. Katra, who had served as an alternate member since 1998, is currently on assignment outside Vienna. In subparagraph (b) of decision GC.7/Dec.20 the General Conference "authorized the Industrial Development Board to proceed with the election for any of the above-mentioned posts which might become vacant before the General Conference holds its eighth session." Accordingly, the Board may wish to proceed with the election for these posts.

20. The General Conference, at its eighth session, will be invited to elect two members and two alternate members as its representatives for the following two-year term in office ending December 2001. In considering its recommendation of candidates to the Conference, the Board—in the interest of continuity—may wish to recommend at least one person who has served previously on the Committee as a member or alternate member.

IV. STAFF CAREER DEVELOPMENT SYSTEM

21. A new system outlined in Director-General's Administrative Instruction No. 10 dated 6 November 1998 is being gradually introduced, covering the major aspects of the career of staff members. The six components of the system cover:

(a) **Staff planning**, to provide a complete set of management information on qualitative and quantitative staffing requirements of the Organization and also to enable individual staff members to evaluate and determine career paths.

(b) **Selection procedures** for recruitment and promotion, introducing transparent and competitive procedures to facilitate selection of the best qualified candidates for all categories (General Service, Professional and Director). All posts in all categories are now advertised and posted on the UNIDO Internet website. Candidates are screened by the Human Resource Management Branch and by the technical divisions. Subsequently, submissions from divisions, including all shortlisted candidates, are submitted to selection panels, one for each category of staff, for review and recommendation to the Director-General.

(c) **Appointment and extension of appointment policy**, applicable to all staff currently covered by the 100 series of staff rules, providing for an initial appointment of three years, with the first year probationary for General Service and Professional staff with a possible subsequent extension of three years. After six years of service a thorough assessment of the staff member's services is made, together with a review of the Organization's needs for the functions concerned, and a decision is made either to separate or further extend the appointment.

For staff at D-1 level, the same principle applies, except that the duration of the fixed-term appointment and extensions is two years at a time. For D-2 staff, the overall limit of the fixed-term appointment(s) cannot exceed by more than six months the Director-General's term of office.

A proposal introducing a new open-ended "indefinite appointment", to replace the current permanent appointment which is no longer granted, has been formulated and is under discussion both internally and with Member States.

(d) **Performance appraisal system** is applicable to all staff in all categories and is closely linked to the Organization's programme objectives and delivery of the

service modules and integrated programmes. It includes clearly-defined goals and objectives, performance indicators and assessment of individual competencies.

(e) **Staff development and training**. From information available concerning the Organization's manpower needs, and from the identification of training needs included in the performance appraisal system, a staff development and training programme will be set up.

(f) **Rotation and mobility programme**. Based on the statutory authority of the Director-General to assign staff to any of the activities or offices of the Organization, this programme will encourage staff to acquire comprehensive Headquarters and field experience which will optimize their capacity for delivering the programmes. The number of posts to be established in the field should permit a rotation of approximately 25 per cent of staff during a two-to-four-year cycle.

V. MATTERS RELATED TO THE STAFF RULES

22. **Appendix A to the staff rules**. Staff regulation 6.5 (a) provides that "The Director-General shall fix the salary scales for staff in the General Service and related categories, normally on the basis of the best prevailing conditions of employment in the locality, taking into account the recommendations of the International Civil Service Commission." Based on the approved ICSC methodology, which takes account of changes in the consumer price and wages indices over a period of 12 months, and in consultation with the other Vienna-based organizations, the Director-General implemented an interim adjustment of the salary scales for General Service staff of 1.2 per cent effective 1 April 1998. This scale applies to a limited number of staff recruited on or after 1 October 1996. The revised scale is contained in document IDB.21/CRP.2.

23. **Appendix C to the staff rules**. In accordance with article 54 (b) of the regulations of the United Nations Joint Staff Pension Fund, the scale of pensionable remuneration should be adjusted on the same date as the net remuneration amounts of officials in the Professional and higher categories in New York. ICSC promulgated a revised scale of pensionable remuneration effective 1 November 1998. The revised appendix C to the staff rules is contained in document IDB.21/CRP.2.

24. **Appendix E to the staff rules**. Appendix E to the staff rules, showing the revised amounts for education grant and special education grant as reported in paragraph 7 above, is contained in document IDB.21/CRP.2.

25. **Financial implications**. The financial implications of the adjustments related to salary, allowances and pensionable remuneration as reported above amount to $303,933 until the end of the biennium and can be absorbed within the staff cost allocations contained in the programme and budgets, 1998-1999.

26. **Official holidays**. Following General Assembly resolution 52/214 A on the observance of Id al-Fitr and Id al-Adha as official holidays of the United Nations and after consultations with the Vienna-based organizations and staff representatives, the Director-General approved the increase of the total number of official holidays from nine to ten. The relevant amendments to staff rules 104.02 and 204.01 are contained in document IDB.21/CRP.2.

27. **Group life insurance**. Staff rule 208.02, which provided for mandatory participation in group life insurance for project personnel, was cancelled effective 1 January 1999, making participation optional and without subsidy. This change, which followed General Assembly resolution 52/219, is shown in document IDB.21/CRP.2.

28. **Appointment and Promotion Board—staff rule 103.12**. Following the promulgation of the new staff career development system reported above, staff rule 103.12 was amended to reflect the new provisions. The revised and previous rule 103.12 is contained in document IDB.21/CRP.2.

29. **Home leave—Appendix F to the staff rules**. Following a review of the conditions for granting home leave travel to eligible family members, the requirement for staff members and their families to travel together on home leave was abolished. Subject to their entitlement, staff members and eligible family members are now able to travel on separate home leave travel or otherwise according to their convenience. Paragraph (i) of appendix F to the staff rules was cancelled and the following paragraphs renumbered. The revised section of appendix F is contained in document IDB.21/CRP.2.

VI. ACTION REQUIRED OF THE BOARD

30. The Board may wish to consider the adoption of the following draft decision:

"The Industrial Development Board,

"(a) Takes note of the information contained in document IDB.21/16;

"(b) Notes the amendments made in pursuance of staff regulation 13.3 to schedules I and III and annexes I and II to the staff regulations in order to bring them into conformity with the decisions of the General Assembly set out in resolution 53/209;

"(c) Also notes the amendments to appendices A, C, E and F to the staff rules as well as to staff rules 104.02, 204.01, 208.02 and 103.12;

"(d) In accordance with General Conference decision GC.7/Dec.20 (b), elects: ..... (country) as a member to fill the vacant post of the UNIDO Staff Pension Committee for the remainder of the term ending December 1999;

"(e) Recommends to the General Conference the following candidates for the election of two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2000-2001:

Members: ..... (country)
..... (country)

Alternate ..... (country)
members: ..... (country)."

Table 1

Composition of Professional staff subject to geographical distribution, December 1994 through December 1998 and March 1999

	Male						Female					
Grade	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**
D-2	6	4	4	5	6	5	2	2	0	0	0	0
D-1	22	22	22	24	22	21	0	0	0	0	0	0
P-5	68	73	58	58	49	45	10	13	12	13	14	14
Subtotal	**96**	**99**	**84**	**87**	**77**	**71**	**12**	**15**	**12**	**13**	**14**	**14**
Per cent	88.9	86.8	87.5	87.0	84.6	83.5	11.1	13.2	12.5	13.0	15.4	16.5
P-4	95	94	88	89	78	78	25	25	21	17	12	12
P-3	35	37	38	32	25	24	22	20	19	25	20	19
P-2	12	12	10	6	4	4	18	19	14	8	8	8
Subtotal	**142**	**143**	**136**	**127**	**107**	**106**	**65**	**64**	**54**	**50**	**40**	**39**
Per cent	68.6	69.1	71.6	71.8	72.8	73.1	31.4	30.9	28.4	28.2	27.2	26.9
Total	**238**	**242**	**220**	**214**	**184**	**177**	**77**	**79**	**66**	**63**	**54**	**53**
Per cent	75.6	75.4	76.9	77.3	77.3	77.0	24.4	24.6	23.1	22.7	22.7	23.0

Table 2

Composition of Professional staff (Headquarters and field), March 1999

Grade	Male	%	Female	%	Total
D-2/L-7	6	100	0	0	6
D-1/L-6	35	100	0	0	35
P-5/L-5	60	80	15	20	75
Subtotal	**101**	**87**	**15**	**13**	**116**
National Officers	8	0	0	0	8
P-4/L-4	81	86	13	14	94
P-3/L-2	28	58	20	42	48
P-2/1/L-2/1	8	42	11	58	19
Subtotal	**125**	**74**	**44**	**26**	**169**
Total	**226**	**79**	**59**	**21**	**285**

Table 3

Placement and promotion of Professional staff since 1996

Total Professional staff promoted					Professional staff promoted to P-5 and above				
Female	%	Male	%	Total	Female	%	Male	%	Total
16	30	37	70	53	5	20	20	80	25

Table 3 (a)

Recruitment of Professional staff, January 1998 to March 1999[a]

Total Professional staff recruited					Professional staff recruited at P-5/L-5 and above				
Female	%	Male	%	Total	Female	%	Male	%	Total
3	21	11	79	14	1	10	9	90	10

[a]Recruited under 200 series of staff rules.

Table 4

Female candidates on roster, January 1995 to March 1999
(Per cent)

	1995	1996	1997	1998	1999
Secretariat	22.6	22.0	22.7	23.0	30.1
Technical cooperation	5.3	5.7	5.9	6.5	11.2

Table 5

Vacancy announcements issued, January to March 1999

Grade	ODG	IPC	SES	FOA	BMS	Total
D-1	0	1	1	1	1	4
P-5	0	0	3	0	0	3
P-4	0	2	1	0	0	3
P-3	0	0	1	0	0	1
P-2	0	1	0	1	0	2
Total	**0**	**4**	**6**	**2**	**1**	**13**

Figure 1

Status of Professional staff subject to geographical distribution at Headquarters, by division

As of 31 March 1999